CITY OF LOS ANGELES

CALIFORNIA



Office of the CITY CLERK

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SHANNON HOPPES Council and Public Services Division

www.cityclerk.lacity.org

When making inquiries relative to this matter, please refer to the Council File No.

JUNE LAGMAY City Clerk

HOLLY L. WOLCOTT **Executive Officer**

May 14, 2013

To All Interested Parties:

Chief Legislative Analyst

I HEREBY CERTIFY that the City Council adopted the action(s), as attached, under Council File No. 13-0002-S28, at its meeting held May 1, 2013.

City Clerk

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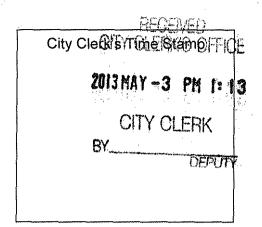
cc: 8 Certified copies sent to Sacramento Representatives

Mayor's Time Stamp

RECEIVED

2013 MAY -3 PM 1: 18

CITY OF LOS ANGULBS



SUBJECT TO THE CONCURRENCE OF THE MAYOR

COUNCIL FILE NO. 13-0002-S28	COUNCIL DISTRICT
COUNCIL APPROVAL DATE MAY 1, 2013	
RE: THE CITY'S POSITION OPPOSING THE PROP PROGRAM	OSED CHANGES TO THE ENTERPRISE ZONE
LAST DAY FOR MAYOR TO ACT MAY 1 3 2013 [10 Day Charter requirement as per Charter Section 231(h))]
DO NOT WRITE BELOW THIS LIN	IE - FOR MAYOR USE ONLY
APPROVED	*DISAPPROVED *Transmit objections in writing pursuant to Charter Section 231 (h)
DATE OF MAYOR APPROVAL OR DISAPPROVAL MAYOR	MAY 1 0 2013 OF CHIEF SHEET S

File No. 13-0002-S28



TO THE COUNCIL OF THE CITY OF LOS ANGELES

Your RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS Committee

reports as follows:

RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT and RESOLUTION relative to the City's position opposing the proposed changes to the Enterprise Zone program unless amended to leave retroactive vouchering and self-certification rules unchanged.

Recommendation for Council action, pursuant to Resolution (Englander – Huizar – Wesson), SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's 2013-14 State Legislative Program OPPOSITION to the proposed changes to the Enterprise Zone program UNLESS AMENDED to leave retroactive vouchering and self-certification rules unchanged.

<u>Fiscal Impact Statement</u>: None submitted by the Chief Legislative Analyst (CLA). The City Administrative Officer has not completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

At its regular meeting of April 19, 2013, the Rules, Elections and Intergovernmental Relations Committee considered a CLA report dated March 18, 2013 and Resolution (Englander – Huizar – Wesson) relative to the City's position to oppose the proposed changes to the Enterprise Zone program unless amended to leave retroactive vouchering and self-certification rules unchanged. The CLA report, attached to Council File No. 13-0002-S28, provides a summary of the Resolution and additional background information.

After providing an opportunity for public comment, the Committee recommended that Council adopt the accompanying Resolution. This matter is now forwarded to Council for its consideration.

Respectfully submitted,

RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MEMBER WESSON: <u>VOTE</u>

LABONGE:

YES YES

HUIZAR:

ABSENT

4/24/13

13-0002-S28_rpt_reir_4-19-13

ADOPTED

MAY 0 1 2013

LOS ANGELES CITY COUNCIL

Not Official Until Council Acts

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, since 1984 the California Enterprise Zone program has provided businesses hiring credits, sales/use credits, and other tax incentives to stimulate business growth, attraction, and employment within economically challenged areas of the State; and

WHEREAS, the City of Los Angeles includes three enterprise zones that cover Sylmar, Warner Center, Canoga Park, Chatsworth, Northridge, Van Nuys, LAX, Hollywood, Mid-City, Koreatown, the Harbor, and Downtown; and

WHEREAS, countless numbers of businesses in these areas of Los Angeles have received hiring credits, sales and use tax credits, expense and interest deductions, DWP rate discounts, and other benefits that have resulted in significant business cost relief, promoting job growth and economic improvement in some of the City's hardest hit neighborhoods; and

WHEREAS, Enterprise Zone hiring credits are designed to encourage employers to hire people who live in disadvantaged areas, are currently on unemployment, receiving government assistance, or are veterans entering the workforce; and

WHEREAS, under the direction of Governor Jerry Brown, the State recently proposed reforming the program to eliminate the ability of businesses to retroactively apply for hiring tax credits after one year from the date of hire and eliminate self-certification for voucher applications; and

WHEREAS, these changes to the program will be devastating to thousands of Los Angeles businesses, increasing their cost of doing business, impacting their future growth plans, and potentially resulting in job losses; and

WHEREAS, in these tough economic times, the State should be looking for ways to promote the growth of business rather than saddling businesses with new costs;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013-2014 State Legislative Program OPPOSITION to the proposed changes to the Enterprise Zone program UNLESS AMENDED to leave retroactive vouchering and self-certification rules unchanged.

